

Brussels, 19 September 2002

**OPINION**  
of the  
Economic and Social Committee  
on  
**The impact of enlargement on EMU**  
(own-initiative opinion)

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On 1 March 2001, the Economic and Social Committee, acting under Rule 23(3) of its Rules of Procedure, decided to draw up an own-initiative opinion on

*The impact of enlargement on EMU.*

The Section for Economic and Monetary Union and Economic and Social Cohesion, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 3 September 2002. The rapporteur was **Mr Vever**.

At its 393<sup>rd</sup> plenary session of 18 and 19 September 2002 (meeting of 19 September), the Economic and Social Committee adopted the following opinion by 42 votes to one with four abstentions.

1. **Summary**

1.1 EMU and enlargement, the two major changes facing the EU, are bound to pose new and interlinked challenges. A global and cooperative strategy, taking both economic and social concerns into account, is needed in order to adapt.

1.2 The Committee would stress that to prepare effectively for EMU, the applicant countries must successfully complete all the preparatory stages, while ensuring that they can abide by the Maastricht criteria in the long term, on the basis first and foremost of the Copenhagen criteria, i.e. a healthy and competitive economy that has assimilated all the requirements of the Community acquis. This means, inter alia, promoting dialogue with social partners' organisations and with effective, representative socio-occupational structures.

1.3 The Committee would therefore note that the enlargement of EMU must be conducted in a rigorous manner, with a strict assessment of each country's merits, so as to avoid placing new members in structural difficulties and so as not to upset the Euro's internal and external equilibrium.

1.4 In addition, to avoid prolonging the EMU accession process excessively for new Member States, the Committee would repeat its recommendation that these countries should join the European exchange rate mechanism, ERM2, as soon as they join the EU.

1.5 The Committee hopes that the procedures for the effective reform of the ECB's management structure to make it ready for enlargement will be in place by the time the accession negotiations are completed, and that the reform will not have to be postponed.

1.6 The Committee would stress the need to strengthen the independent resources of the Eurogroup, with the imminent prospect of a sharp increase in the number of non-euro Member States in the Council.

1.7 The Committee notes the increased budget transfer problems entailed by an enlarged EMU. This means that the reforms under way in many Community policies (e.g. agricultural policy

and regional policy) must be carried out within a global perspective and that plans must be made to bolster the European Union's own resources for the post-2006 period.

1.8 The Committee calls for attention to be paid to the effects of EMU on economies neighbouring or close to the EU.

1.9 The Committee invites the Convention on the future of Europe to include the issue of EMU enlargement (e.g. institutional concerns, subsidiarity in practice, forms of cooperation) in its discussions and in the drafting of its conclusions.

## **2. Preliminary comments**

2.1 EMU and enlargement are both major changes that will significantly mark the development of the EU over the coming years. If they are well managed, both will strengthen the EU. In combination, they are bound to influence each other, and will certainly complicate many factors. However, in the long term, they should prove to complement each other rather than conflict. All will depend on the capacity of the European Union and its Member States to adapt to the new demands and to manage the situation in a synergistic manner.

2.2 In contrast to enlargement, which will tend to have a centrifugal effect, inevitably putting the European Union's cohesion to the test, the main attraction of EMU will be that it will act as a centralising, structuring and reassuring force, working to strengthen that cohesion on a sound and stable basis, also encompassing the Member States that are outside the euro zone but that should join at a later stage.

2.3 Enlargement will provide new opportunities for EMU to develop, prospectively doubling the number of euro zone members over the longer term (bringing in Poland, Hungary, the Czech Republic, Slovakia, Estonia, Lithuania, Latvia, Slovenia, Cyprus, Malta, Romania and Bulgaria; and also Turkey, with which accession negotiations have yet to begin). The euro will offer these future members a number of economic benefits, boosting their capacity to attract investment, stimulate financial markets and secure trade. But enlargement will also bring the EU as a whole greater political security. The enlarged EU will be an important area in the world economy, based on the principles of the rule of law and legal certainty. Whether this enlargement will strengthen or affect the European currency's clout and international cachet, especially vis-à-vis the dollar, will depend on the way it is conducted and assimilated (as well as on other possible developments in the three EU States that are currently outside the euro zone: the United Kingdom, Denmark and Sweden).

2.4 Enlargement will clearly pose new challenges for EMU. Initially, the accession of new Member States to the European Union will radically alter the terms under which the euro and non-euro zones coexist, as non-euro zone members will be greater in number. Whereas in the EU-15, the 12-member euro-zone coexists with three non-euro States, in a Union of 25 it will have to coexist with 13. Subsequently, as the new Member States enter the euro zone, the situation for EMU will change, with a much greater internal diversity (the applicant countries' GDP is equivalent to only 6%

of that of the 12-member euro-zone), which will also complicate the coordination and control of economic and budgetary policies.

2.5 The Committee would therefore stress the need for a global strategy in preparation for managing the predictable interactions between enlargement and EMU. This strategy must be political, cooperative and contractual, drawing on:

- the current Convention on the future of Europe (which rightly involves all the applicant countries), for institutional reform and the organisation of responsibilities;
- the Member States and EU institutions, for the political management of EMU;
- economic interest groups, the social partners and other organised civil society players, which must exercise all their freedoms independently and responsibly, using approaches often based on partnership and contractual agreements, for the consolidation of EMU's economic and social foundations.

2.6 This strategy should centre on two key issues:

2.6.1 - preparing the applicant countries effectively for EMU, which means agreeing and implementing appropriate EMU accession strategies for each of the applicant countries;

2.6.2 - on the other, successfully adapting EMU to the enlarged Union, which means starting to give some thought now to an overall programme to concern all future Member States.

### **3. Preparing the applicant countries effectively for EMU**

#### **3.1 The legal and political prospects**

3.1.1 The Amsterdam Treaty and the pre-accession commitments made by the applicant countries clearly stated that they would not be allowed any form of opt-out clause, of the kind exceptionally granted to the United Kingdom and Denmark. Although the new Member States will clearly not join EMU immediately on accession, they will have to make every effort to join as quickly as possible, by meeting the various preliminary requirements. The Committee welcomes the fact that the EU has made this official link with the applicant countries, confirming their aim to join EMU as soon as they meet all the criteria.

3.1.2 Integrating the applicant countries into EMU will be a four-stage process:

3.1.2.1 During the current pre-accession period, the applicant countries should already be working to adopt the Community acquis, not least in the areas that are key to EMU: namely the free movement of capital, the renunciation of any State financing privilege for the public sector, and guaranteed independent status for central banks.

3.1.2.2 When they join the European Union, the new Member States will already be required to abide by many Community economic rules, although they will not at that stage be ready to join

EMU. They will thus have to accept the objectives of EMU, recognise that their exchange and economic policies will from then on be matters of common interest in the context of the EU, be sure to prevent excessive deficits, accept the growth and stability pact, and gradually apply all the Maastricht criteria. Like all Member States, they will be subject to an annual audit at the autumn European summit, with regard to the broad economic and employment policy guidelines. At the spring European summit, they will be assessed on the basis of the commitments made in Lisbon regarding the implementation of structural reforms in economic, social and administrative areas (e.g. policies relating to education, innovation, the labour market, social welfare and the public sector, etc.).

3.1.2.3 Another obligatory preliminary stage will be participation in ERM2, the euro exchange-rate mechanism (following Denmark's current example). The applicant countries will have to remain in ERM2 for at least two years before joining EMU.

3.1.2.4 For every new participating State, the last stage in joining EMU will be a reasoned decision by the Council on a proposal from the Commission, taking into consideration economic capacity and more particularly compliance with the Maastricht criteria, namely:

- an inflation rate not exceeding by more than 1.5% the average of the rates of the three Member States with the lowest inflation rates,
- long-term interest rates not varying by more than 2% from the average of the three States with the lowest inflation rates,
- a budget deficit close to or less than 3% of GDP,
- public debt not exceeding 60% of GDP unless it is descending towards that level,
- a stable national currency exchange rate within a margin of 2.25% above or below the euro.

Furthermore, the national central banks must have formally guaranteed independence from the national governments and must pursue the objective of price stability with due regard to the objectives listed in Article 2 of the EU Treaty.

## 3.2 The economic and social requirements

3.2.1 Just as the political and legal conditions written into the Treaty and the European summit declarations provide for an ordered approach to preparing the applicant countries for EMU, so too the economic and social requirements associated with the stability and growth pact must be addressed strictly step by step. Sound preparation for EMU within the applicant States means not racing ahead. Otherwise, growth and investment in the new Member States could be hindered by excessively strict monetary and fiscal policies, and the very cohesion of EMU in the enlarged Union could be affected. There must be no danger of later arriving at a dead-end, discovering after one or another new member has entered EMU that it is not able to apply all the rules. There are also other reasons for proceeding in an orderly way and not rushing in. The external value of the euro, a key factor in its stability, must not be affected by EMU enlargement. Neither would it serve the interests of the euro zone Member States to generate excessive internal tensions owing to extreme or asymmetric differentiations. Similarly, budget constraints on the Member States and on the EU would make it impossible to respond to increased requests for support following the accelerated integration of the new States into the Euro zone.

3.2.2 Special emphasis must be placed on the need for the applicant countries to consolidate the liberalisation of their economies and their competitive capacity. Key requirements include the smooth, obstacle-free running of the capital market (for investments in real estate as well as in securities), a stronger banking and finance sector (with the growing participation of EU establishments), the absence of any public sector financing by the national central bank, and effective watchdogs able to monitor the implementation of laws and regulations and supervise the smooth running of the markets. These requirements may justify EU inspections in conjunction with socio-occupational interest groups.

3.2.3 Great care must therefore be taken to build solid and lasting foundations for the successful introduction of the euro in these countries by ensuring, long before the Maastricht criteria are met - which will also require comparable statistics -, that the economic and social fabric is strong (e.g. productivity, social climate, adaptation of the public sector, SME development). "Nominal" convergence must be backed up by "real" convergence in order to be sustainable and profitable. There can therefore be no hope of meeting the Maastricht criteria on a sustainable basis until a critical threshold of economic growth and liberalisation has been crossed. It may even be the case that an applicant country that appears to be further than another from meeting the Maastricht criteria is in reality more advanced in consolidating its economic liberalisation and thus in progressing with the real preparation for its future integration into EMU. It should also be noted that after accession, certain new factors may temporarily make it more difficult for the new Member States to meet the Maastricht criteria. New inflationary pressures are for instance to be expected owing to the impact of new agricultural prices and Structural Fund transfers. For this reason, sound preparation for later joining EMU will hinge on thorough preparation to meet EU accession requirements on the one hand, and successful adjustment to the economic and social consequences of accession on the other.

3.2.4 In addition to adapting to new economic and legal factors, close attention will have to be paid to strengthening the institutional and social infrastructure of the applicant countries. First and

foremost this means promoting the role of the social partners and improving the functioning of the labour market. The development of representative organisations and consultation between social partners and with the government should make a very direct contribution to the effective coordination of macroeconomic policies and social adaptation policies, especially in the context of the Cardiff, Cologne and Lisbon processes. The social partners of the current Member States and the European Economic and Social Committee, through its joint consultative committees, have a part to play in supporting the socio-occupational organisations in the applicant countries by organising exchanges and information and training programmes.

3.2.5           The Commission's latest annual report of November 2001 on progress made on preparation and more specifically on adoption of the Community acquis is encouraging for 10 of the 12 applicant States conducting accession negotiations. Romania and Bulgaria still have some distance to cover before they will be in a position to join (and thus still more before ultimately joining EMU).

3.2.6           Accession will clearly raise the issue of keeping up the momentum for preparing for enlarging EMU. This gives rise to two comments:

3.2.6.1           On the one hand, it is important to be aware that the "big bang" represented by the simultaneous accession of ten new Member States into the European Union, while opening up the direct prospect of EMU enlargement, will not necessarily accelerate it: the 15 Member States, the Commission and the Central Bank may be inclined to return to a stricter differentiation for the subsequent EMU accession stage. Whereas it is to be expected that certain new EU Member States will manage to move quickly to join EMU, other new members will almost certainly remain in the non-euro zone for longer.

3.2.6.2           However, while it is important not to race through the stages on the road towards EMU, it is also essential not to be hemmed in by a wait-and-see attitude that allows new Member States to stay too long in the non-euro category. The risk in the long run would be to fragment the single market, while to a greater or lesser degree encouraging a relaxation in the standards required of those countries to join EMU. A balance must therefore be found between these differing requirements.

3.2.7           An effective response would be to ensure that, on accession, the new Member States join the revised EMS exchange rate mechanism (ERM2). The Committee made this recommendation in its opinion of April 2001<sup>1</sup> on the economic indicators for accession. It is now repeating it, as it would make it possible for:

3.2.7.1           the exchange rate policies of the new Member States to be placed in a Community framework from now on;

3.2.7.2           pressure to be exerted on these countries to continue active preparation for EMU;

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<sup>1</sup>

EU enlargement: the challenge faced by candidate countries of fulfilling the economic criteria for accession – OJ C 193 of 10.7.2001

3.2.7.3 an essential preliminary legal condition to be met, removing all risk of one or other of these countries opting out of EMU, which would go against the previous renunciation of any political opt-out;

3.2.7.4 a substantial margin of exchange rate flexibility to be maintained, as this is still authorised within a 15% band under ERM2, thus avoiding premature rigidity and safeguarding significant economic and social flexibility.

3.2.8 When, after at least two years of exchange rate mechanism participation, the time comes to decide on actual entry into EMU, not only will it be necessary to check whether the Maastricht criteria are genuinely being met, but also whether they are being met in a sustainable manner.

3.2.9 Well in advance of joining EMU, many of these countries will already have been using the euro as a vehicle currency alongside their national currencies, as some already did with the German mark before there were euro notes and coins. This freedom to use the euro in commercial transactions can offer these countries a number of practical advantages, boost international appeal of the euro and also help to familiarise their populations with the currency that will eventually become their own. However, it will not be enough to bring them into the EMU, as that will depend on all the other economic, financial, budgetary and social criteria mentioned above.

### 3.3 Support from the Union

3.3.1 Under Agenda 2000, the Union earmarked significant budgetary support for the pre-accession period and for the first few years of membership: the March 1999 Berlin agreement earmarked **□20 billion for pre-accession instruments from 2000 to 2006 inclusive and □50 billion for new Member States accessible from 2002 if necessary.**

3.3.2 On 30 January 2002<sup>2</sup>, the Commission presented an update of these provisional budget figures to take account of two new developments:

- first, the target date for the first wave of accessions had been shifted to 2004;
- second, there are now likely to be not five or six new Member States in the first wave of accessions but 10.

3.3.3 In preparation for the accession of 10 new Member States in 2004, these new Commission guidelines also envisage **□40 billion of commitments and □28 billion of payments for the 2004, 2005 and 2006 period.** This projection remains within the upper limits of the EU's budget ceiling and, in particular, the Berlin multi-annual agreement.

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3.3.4 This budget will not affect future agricultural, regional and budget policy reform. It does however involve a gradual withdrawal of Structural Fund aid from certain former EU priority regions, a 10-year transition period before direct payments are made to farmers in the new States, and the payment by the new members of their contributions to the Community budget as of the first year of membership (figures that have still to be confirmed in the accession negotiations). It is also clear to the Committee that accession will mean stepping up the adaptation of agricultural, regional and budget policies.

3.3.5 A second report<sup>3</sup> submitted by the Commission on the same day looks at the future of cohesion policy from 2007. In a Europe of 25 to 27 Member States, regional disparities in GDP will double, moving from 1:3 to 1:6. In addition to transfers for the east, the Commission is also calling for a support policy that is not restricted to the least developed regions of the EU, even if this means refocusing (i.e. cities, upland areas, border regions, peripheral regions). The Committee notes that from 2007, and possibly earlier, the cost of enlargement could raise new issues in the area of Member State contribution levels and EU resources. The reforms under way in many Community policies (e.g. agricultural policy and regional policy) must be carried out within a global perspective and plans must obviously be made to bolster the European Union's own resources.

3.3.6 In the first half of 2001, the Ecofin Council agreed to begin cooperating more closely with the applicant State finance ministers and central bank governors by inviting them once during every six-month presidency, and by means of regular reports to the Ecofin Council on the economic situation in those countries. The Committee welcomes the development of this cooperation on economic convergence and suggests that it should be extended to other Councils directly concerned by this objective, first and foremost the Employment and Social Affairs Council (especially regarding the applicant countries' preparations for implementing the employment guidelines).

3.3.7 The Committee is also pleased to note that contacts between the European Central Bank and the applicant countries, already well-established and regular, have been stepped up with operational support programmes (e.g. bilateral contacts, traineeships, methods for updating statistical data). Most of the applicant country central banks can be considered independent (although in some cases more time is needed to anchor a genuine culture of independence and stability). This independence will in any case be required of each applicant State on joining the EU.

3.3.8 Lastly, the Committee welcomes the involvement of the applicant countries in the March 2002 Barcelona summit. This EU initiative is in total harmony with the recommendations made by the Committee in its opinion of April 2001 on the economic indicators for accession, where it proposed involving the applicant countries in the implementation of the March 2000 Lisbon mandate. The only way to optimise the applicant countries' preparation for EU accession and later for membership of EMU is to involve them directly in the economic, social and administrative reforms required by the Lisbon mandate, seeking to turn Europe into the most dynamic and competitive knowledge-based economy in the world by 2010.

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#### **4. Successfully adapting EMU to the enlarged Union**

##### **4.1 Institutional changes**

4.1.1 The prime challenge will be about numbers: from the time of accession, the governors of the central banks of the new Member States will be required to sit on the ECB's General Council but not on the Governing Council (which they will not join until they are EMU members). More specifically, the membership of the Executive Board of the European Central Bank will have to be reformed and restricted in order to remain effective subsequent to enlargement. It must be noted that the Nice Treaty did not deal with the issue of the reorganisation of the European Central Bank following enlargement, in particular the revision of the "one man, one vote" principle. It simply referred the issue back to the Council by means of an enabling clause. It is not certain that the governors of the national central banks will manage to find a solution, while discussion among the Member States appears to have come to a standstill. Time is short however, inasmuch as it would be preferable to settle this matter by the time the accession negotiations are concluded, rather than waiting another few years for the first EMU enlargement. The Committee therefore hopes that the procedures for the effective reform of the ECB's management structure to make it ready for enlargement will be in place by the time the accession negotiations are completed, and that the reform will not have to be postponed. Special consideration must be given to the fact that in the enlarged EMU, the central bank will operate less and less by unanimity and increasingly by a majority. All the institutional resources must be set in place as of now.

4.1.2 The second challenge will be that of diversity, with major development gaps that will lessen or disappear only very gradually.

4.1.2.1 Initially, the European Union will have to face up to the challenge of a greater quantitative and qualitative difference between the Member States in the euro zone and those outside it, whose numbers will swell considerably from a current membership of only three (the United Kingdom, Denmark and Sweden). With the forthcoming accession of ten new States into the EU, the 12 States in the euro zone will be outnumbered by the 13 in the non-euro zone. This prospect immediately poses the question of whether the Eurogroup should be made into an institution, in order to give it the legal status and decision-making powers it is currently lacking, so that decisions that concern it directly are no longer under the responsibility of the Ecofin Council.

4.1.2.2 Subsequently, as new members join EMU, there will be major diversity among the EMU Member States. In a 25-member EMU, it will be necessary to review such basic issues as the application of subsidiarity, the role of national parliaments, and cooperative management between members. New forms of cooperation will have to be devised, almost certainly including European tax reform. The Convention will have to address a number of issues including how these reforms can be applied, how to strike a democratic balance, what powers and what counterbalances are needed, and what compromise can be found between the Community and intergovernmental methods. These are all issues that will also demand very close attention from the European Central Bank, the Council and the Commission.

## 4.2 New economic and social factors

4.2.1 The additional economic weight that EMU enlargement will bring must not of course be overestimated, bearing in mind that the GDP of the 12 applicant countries barely accounts for 6% of that of the 12 euro zone countries. However, the fact that EMU will have to develop under more diverse economic and social conditions will raise many issues, at first regarding coexistence between the euro zone and the non-euro zone, and later regarding how to manage a single currency in more diverse economies. These issues will centre on the variables for adjustment to these situations.

4.2.2 These will include varying levels of competitiveness and economic productivity, pay differentials, and migratory movements, in particular across borders, that could develop within the euro zone. In a decade or more, the effects of acculturation will help to give greater uniformity to this enlarged euro zone (c.f. methods of government, co-responsibility of economic players and social partners, effects of the economic and social reform process agreed at Lisbon for the 2000-2001 period). However, in the meantime, it will be necessary to manage the contrasts and frictions between these widely differing national systems and economies.

4.2.3 In this context, budget transfers within the enlarged EMU will be a particularly thorny issue. Until now, the EU has opted for an EMU characterised by little central intervention, few shared budgetary resources and the absence of any significant degree of tax harmonisation. The increased diversity among the Member States making up EMU will certainly unearth new problems to which the current set-up may have difficulties responding, such as the above-mentioned issues of major differences in production factors, risks of economic or social tensions, or the effects of asymmetric shocks. For the post-2006 period, the EU will therefore have to take a fresh look at:

- the issue of EU budget transfers (Cohesion Fund, aid, etc.)
- the issue of EU budgetary resources (steps towards a European tax?)
- and other related issues, relating in particular to taxation in Europe (disparities and competition between tax regimes and also the overall tax burden).

## 4.3 International repercussions

4.3.1 The euro is destined to become an international currency with world-wide importance. Care must be taken to ensure that the enlargement of EMU takes place in conditions which support - rather than threaten - the international prestige of the euro, as this is an indispensable condition for its success.

4.3.2 It will also be necessary to monitor the effects of the enlargement of EMU on nearby and neighbouring economies, especially in Russia, Ukraine, Belarus and other former Soviet Union as well as Mediterranean and ACP countries.

Brussels, 19 September 2002.

The President  
of the  
Economic and Social Committee

The Secretary-General  
of the  
Economic and Social Committee

**Göke Frerichs**

**Patrick Venturini**

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**Appendix:** Tables concerning the situation in the applicant countries

APPENDIX

**Table 1**

|                | <b>GDP in 2000 (bn euro)</b> | <b>GDP per head in 2000 in PPS<sup>4</sup></b> |
|----------------|------------------------------|------------------------------------------------|
| Bulgaria       | 13.0                         | 5,400                                          |
| Cyprus         | 9.5                          | 18,500                                         |
| Czech Republic | 55.0                         | 13,500                                         |
| Estonia        | 5.5                          | 8,500                                          |
| Hungary        | 49.5                         | 11,700                                         |
| Latvia         | 7.7                          | 6,600                                          |
| Lithuania      | 12.2                         | 6,600                                          |
| Malta          | 3.9                          | 11,900                                         |
| Poland         | 171.0                        | 8,700                                          |
| Romania        | 40.0                         | 6,000                                          |
| Slovakia       | 20.9                         | 10,800                                         |
| Slovenia       | 19.5                         | 16,100                                         |
| Turkey         | 217.4                        | 6,400                                          |
| <b>EU</b>      | <b>8,526.0</b>               | <b>22,530</b>                                  |

Source: Eurostat

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<sup>4</sup> Purchasing power standards

**Table 2**

|                | <b>GDP growth rate at constant<br/>prices in 2000 (%)</b> | <b>Annual variation of the<br/>harmonised index of consumer<br/>prices in 2000 (%)</b> |
|----------------|-----------------------------------------------------------|----------------------------------------------------------------------------------------|
| Bulgaria       | 5.8                                                       | 10.3                                                                                   |
| Cyprus         | 4.8                                                       | 4.9                                                                                    |
| Czech Republic | 2.9                                                       | 3.9                                                                                    |
| Estonia        | 6.9                                                       | 3.9                                                                                    |
| Hungary        | 5.2                                                       | 10.0                                                                                   |
| Latvia         | 6.6                                                       | 2.6                                                                                    |
| Lithuania      | 3.3                                                       | 0.9                                                                                    |
| Malta          | 5.0                                                       | 2.4 <sup>*</sup>                                                                       |
| Poland         | 4.0                                                       | 10.1                                                                                   |
| Romania        | 1.6                                                       | 45.7                                                                                   |
| Slovakia       | 2.2                                                       | 12.7                                                                                   |
| Slovenia       | 4.6                                                       | 8.9                                                                                    |
| Turkey         | 7.2                                                       | 54.9 <sup>*</sup>                                                                      |
| <b>EU</b>      | <b>3.3</b>                                                | <b>2.1</b>                                                                             |

Source: Eurostat

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<sup>\*</sup> Non-harmonised (national) data for Malta and Turkey

**Table 3**

|                | <b>General government budget<br/>deficit (-) or surplus (+) as a %<br/>of GDP in 1999</b> | <b>External debt as a % of GDP<br/>in 1999</b> |
|----------------|-------------------------------------------------------------------------------------------|------------------------------------------------|
| Bulgaria       | 0.2                                                                                       | 79.7                                           |
| Cyprus         | -4.0                                                                                      | 160.9                                          |
| Czech Republic | -4.0                                                                                      | 22.8                                           |
| Estonia        | -4.1                                                                                      | 48.5                                           |
| Hungary        | -5.4                                                                                      | 56.1                                           |
| Latvia         | -5.3                                                                                      | 25.2                                           |
| Lithuania      | -5.7                                                                                      | 26.5                                           |
| Malta          | -7.8                                                                                      | 227.7                                          |
| Poland         | -2.1                                                                                      | 31.1                                           |
| Romania        | -2.1                                                                                      | 25.2                                           |
| Slovakia       | -5.7                                                                                      | 42.1                                           |
| Slovenia       | -1.3                                                                                      | 24.2                                           |
| Turkey         | -21.8                                                                                     | 46.3                                           |
| <b>EU</b>      | <b>-0.7</b>                                                                               |                                                |

Source: Eurostat